

PRESIDENT: Thank you. Senator Nelson, please, then Senator Rod Johnson.

SENATOR NELSON: Mr. Speaker, I believe Vard has left the floor. Would you please, someone clarify this for me. I thought that residential property was valued on building costs, on location as another factor, but the other factor is whether it is brick on the outside, whether it's a wood roof, how many bathrooms, whether it has a finished basement or not on the sales value. Am I wrong?

PRESIDENT: Senator Vard is coming in. Do you wish to ask him?

SENATOR NELSON: Vard, am I wrong? Yes, they count my bathrooms, I'll tell you that, and as my husband says, it might take a couple Ex-lax to use them. But anyhow, is not residential property based on comparatively per square foot building costs, whether it's brick or whether it's wood, the type of roof construction, the number of bathrooms, a finished or an unfinished basement, not on the sales value necessarily. The only thing that pertains to the sales value would be the location in town. Am I not correct?

SENATOR V. JOHNSON: You're probably not correct. What happens, Senator Nelson, is this, as the tax commissioner and the assessor puts together their manuals,...

PRESIDENT: Excuse me, Senator Vard. (Gavel.) Let's hold the conversation down so everybody can hear.

SENATOR V. JOHNSON: ...they do look at such things as, you know, is this a brick building, does it have a special composition roof, et cetera, because when they do...when they are trying to look at comparable sales they are looking at sales from comparable buildings, you know, other brick buildings with these kind of 20 year old roofs, that have two bathrooms and, you know, one fire place and so on. And that is why those are important items in the equation. So the fact that I live in Omaha, Nebraska, in a frame house which has two bathrooms and an unfinished basement with X number of bedrooms, at a certain locale, my valuation, to some extent, is based on what similar two-story, frame houses with two bathrooms would bring in a comparable location in Omaha, and that is the sales value approach.